

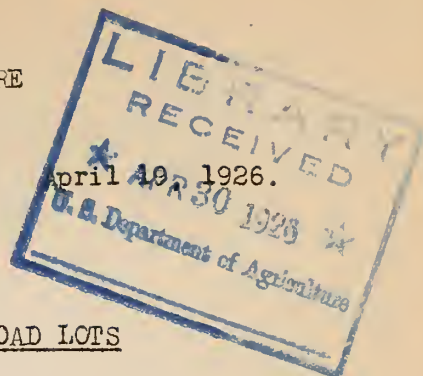
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FOREIGN NEWS ON APPLES



PARIS TAKES AMERICAN APPLES IN CARLOAD LOTS

American apples being offered on the fruit stands and in the hotels of Paris at the end of March -- in good sound condition and at reasonable prices -- this is, in many respects, the most interesting development of the season in the apple export trade. At last a well planned and well executed effort has been made to build up a demand for American apples in this market, so long neglected although only a relatively few hours' distant from London, and the early results are distinctly encouraging.

As pointed out in earlier reports, Parisian dealers generally, have objected to American apples on the ground that they are inferior to the French product. This objection has been founded on excessive bruising resulting from shipping forty or fifty boxes at a time from New York City or across the Channel from stocks on hand in Great Britain. Moreover, the British demand for small sizes did not result in this major source supplying what the French consider fine apples. The 175 size does not fit in with French standards of fruit excellence. Consequently, on the occasion of the writer's visit in Paris last year at this season the only vestige of our apples to be seen was a small parcel of five tier Winesaps in one corner of a commission merchant's warehouse, - fifteen or twenty boxes, stacked on the bulge, badly bruised, unsung and undisplayed, with the Director grumbling because he could not get rid of them. None of these were to be seen in the hands of the retailers, who were practically out of apples, save for the withered remnants of the French home crop.

To obviate these difficulties the suggestion was offered that the market be tested with some real apples of various sizes and varieties, - these to be taken from refrigerated cargoes of Panama Pacific ships at a Continental port so as to obviate some of the merciless mauling and pommelling during the cross-channel shipment and later at the hands of the energetic French railroad employees. This suggestion has been followed and we now witness Paris being initiated as the newest candidate to a circle of four hundred-odd carlot markets for American apples.

It transpired that these suggestions were seized upon by Dutch interests, who are not only energetically participating in distributing American apples in Europe, but who are also heavily interested in American apple orchards, principally in the State of Washington. Their method of distribution involves the refrigerated movement of apples in large blocks via Panama ships from Portland and Seattle to their cold storage in The Netherlands, from which shipments are made throughout the

winter and spring to any European center in the market for apples. Thus this firm was strategically located to reach the Paris market, and moreover, was admirably equipped with a large stock of fruit from which could be drawn a wide assortment of samples for test purposes.

It was decided to give Paris a trial along new lines and to begin with, a careful survey of conditions was made through their agent in the French capital. After February had passed, and French apples were becoming scarce and expensive, the time was considered ripe for the attempt. A careful selection was made from the stock in cold storage at the Hook of Holland, and a car was loaded with Extra Fancy grade of Newtowns, Winesaps, Staymans and Arkansas Blacks, with a range of sizes from 163 to 88.

No sooner was the car loaded and shipped than representatives of the firm proceeded to Paris to pave the way. Paris representatives of the United States Department of Commerce played an important part in the undertaking, their efforts enabling the making of just the right contacts for advertising, and helping to round out the plans for harnessing wholesale and retail outlets so that the initial shipment might go before the public over a wide area and at a minimum controlled price.

Appealing to American Residents.

As a nucleus of demand the patronage of the reputed 30,000 Americans living in Paris was sought (Some well informed sources say 10,000 is a more accurate figure). The importers prepared a circular letter in English announcing the fact that, concurrent with its receipt, fresh American apples could be had in Paris at New York prices, urging the readers to ask their local fruit retailers, and suggesting that failing there, supplies might be had at a list of prominent shops. This letter was made ready for posting to a mailing list of several thousand American residents.

Arrangements were then made to place stocks in the hands of three leading wholesalers, having five stores in all. But in order to make certain of a larger list of initial retailers, preparations were made to deliver direct to certain large chain store firms, these people agreeing to retail at a reasonable price. These pivot stores were to set the pace for the smaller retailers who secure supplies from the wholesale trade, and over whom no price control could be maintained.

The business of many dealers in the Paris wholesale fruit trade resembles much of the retailing in the United States, and so, with a commodity like imported apples, thirty or forty boxes at a time would be all that one jobber would handle. Therefore, rather than divide a full carload among three jobbers arrangements were made to supply them quantities they were accustomed to buy, and the balance of the car was placed in cold storage. This proved to be a farsighted plan and will be one to be followed in the future.

Overcoming Trade Resistance.

In order to insure that the apple circular sent to Americans in Paris was backed up with reasonably priced fruit in known shops, it was necessary to overcome a great deal of resistance among both retailers and the wholesale trade. The encouragement received at the hands of both of these classes of dealers in Paris in this first attempt was not such as to fill anyone connected with the undertaking with a thrill of eagerness. Some of the best wholesalers said they would handle American apples on commission but they believed the French people too poor to buy them. In addition, the bogey of exchange and the falling franc drove from the French mind all hope of any commercial opportunities. The fruit directors of some chain stores were particularly hard to reach and difficulty to convince that the undertaking had any possibilities, but this was finally accomplished. In addition to lining up commission merchants and working with retailers, letters were also sent to the chefs in some twenty-two Parisian hotels. English newspaper advertisements were also used.

Transportation difficulties very nearly spoiled this particular undertaking, but should not offer any particular trouble to future attempts to reach this market when methods of handling are better worked out. Although fully two weeks on the road on the 250 mile journey from Rotterdam, the shipment for this trial on the Paris market arrived in good condition.

Trade resistance does not stop with the wholesaler. The retailer must have his apples undisplayed in the commission store. Each wants to examine his own purchases, even taking off the bottom of the boxes to see if the fruit is actually as fresh and beautiful as the top. The importer's hotel manager refused to take any of the fruit, saying "bruised American apples cannot be used, etc.", but at the former's insistence three boxes were turned over to the chef to be placed on the table with the oranges and bananas that are always the last course of the French luncheon. Thereafter, many people were to be seen eating apples at luncheon and the manager admitted that he did not think the three boxes would last the week out. Some of the patrons of the hotel had asked where they could buy a whole box of these apples.

Demand and Outlook Encouraging.

The demand for the first carload was such that before a week had elapsed the importers ordered a second out of their cold storage stocks in The Netherlands, the assortment being governed by the sizes and varieties proven to be in greatest demand. It is interesting to note that the commission merchants sold out their allotment of large sized Newtowns almost at one and were begging the importers for additional supplies. For policy's sake the dealers wishes were not granted as it was deemed best to make the lines in strong demand sell those that are hardest to dispose of. Moreover it was felt that supplies in cold storage in Paris should be ~~strong~~ out until the second consignment was on hand.

Next to the Newtown the Arkansas Black met with readiest sale; with the Winesap third; and the Stayman last. The latter was made unpopular by reason of signs of weakness. On the whole the fruit was in splendid condition and made the greatest of contrasts with homegrown supplies which, while free from bruises, were shrivelled and unmistakably pock-marked from overripeness.

The contrast was made the greater by reason of much lower prices on the fresher and more attractive American fruit. While retailer's price tags on dismal-looking Canada Reinettes read from Frs. 4.25 to Frs. 4.50 each, in a basket (15-16 cts. at exchange rates last 10 days of March), alongside were crisp, waxen Hood River Newtowns at from Frs. 2.00 to Frs. 2.75 each (7 cts. to 9.5 cts). Where Tyrolian Canada Reinettes were selling for from Frs. 5.25 to Frs. 6.00 per $\frac{1}{2}$ kilo, (17-19 cts. per lb), the price on Newtowns was Frs. 4.50 (15.5 cts. per lb).

The policy of controlling retail price in chain stores deserves the very greatest commendation as an introductory measure in France where price means so much. Wholesale prices are not so favorable to our apples since the homegrown sell for from Frs. 250 to Frs. 300 per 100 kilo (\$4.00 - 4.75 per 100 lbs), whereas the scale of prices per box of 20 kilos (44 lbs.) ran as follows: Newtowns, \$4.50-5.25; Winesaps, \$4.50-4.90; Arkansas Blackes, \$4.50-4.90; Stayman, \$4.35. This being the case, the uncontrolled retailer, instead of asking merely twice what he pays for American apples, would be likely to mark them up in proportion to their appearance and ask three or four times the purchase price, which would probably reduce sales to scores instead of hundreds of boxes.

No doubt the true consumer demand will reflect itself later on, but for the present it is necessary and advisable to deal with the retailer's demands. These have been indicated as to varieties. In sizes he has called for 88's, 96's and 113's. The 150's and 163's have moved slowly. When the hotel demand becomes effective this will no doubt be modified since the large sizes do not fit, either in price or size, the hotel luncheon dessert fruit plate.

The importers believe that Paris will take a carload at fortnightly intervals for the balance of the season and that next year the trade may be started earlier. The writer believes this is too conservative, even though he recognises that, with inflated currency and rather provincial notions to contend with, the trade is in the ^{infant} stage, and will have to be "bottle fed" with precise regularity and with carefully chosen "reinforcements" for a long time to come before reaching the lusty age where it will take anything at any time.

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